

NWX-US DEPT OF COMMERCE

**December 8, 2020
1:00 pm CT**

Coordinator: I would now like to turn the call over to your host Andrew Hait. Thank you, and you may begin.

Andrew Hait: Great, thank you so much. Again, my name is (Andy Hait). I'm an economist here at the US Census Bureau at our headquarters office in Maryland. And I want to welcome and thank you all for joining our webinar this afternoon, or maybe this morning, for those of you on the west coast.

Today's webinar is going to be an overview of the business size data that we publish as part of the Economic Census. And before I get started, I want to very quickly mention to you all that we are testing out a new option on the audio today. We're using an audio broadcast feature in WebEx. So, hopefully, you all are hearing this either via the phone or via the audio broadcast feature.

For those of you who again, called in by the phone, you will be able to submit your questions at the end of the presentation via the phone. Our Operator will queue you up. And I would encourage you all to bring all the tough questions that you have about our business size data. That would be fantastic.

For those of you who connected via the audio broadcast feature, you will need to enter your questions via the chat. And we will, of course, get to your questions.

So, today we're going to be exploring a couple of aspects of this business size information that we have at the Census Bureau. To get us started, I'm going to talk very briefly about what data has been released so far from the 2017

Economic Census. And talk a little bit about what's coming next after the size data.

Then I will briefly talk a little bit about the size statistics that we have historically published in the Economic Census, including what we published in the 2012 Economic Census. And then, I'm going to talk a little bit about how different the data now are for the 2017 Economic Census. And I will say different in a very good kind of a way.

Then finally, we'll be talking about how you can access the data in our new data.census.gov platform. And I do have a colleague of mine on the call today to answer any specific data.census.gov questions about these statistics at the end of the presentation. So, thank you very much KaNin for joining us.

And then finally, at the very, very, end, I'm going to very briefly talk about the other business size data we have some other Census Bureau programs. And then, finally, again, we'll do the Q&A.

So, to get started, this is a slide I use in a lot of presentations that I do. I sort of consider it my shock and awe slide. If you were to ask ten people on the street, what is the US Census Bureau, they would tell you that we count the US population once every ten years. But the decennial census is just one of more than 130 programs that we conduct each and every single year.

These demographic or household-based surveys include programs like the American Community Survey, the ACS, which is a fabulous resource of demographic, socio-economic and housing data. These are an amazing resource for small business owners and entrepreneurs because it helps make people understand something about the demographics of the communities where their businesses are located; who their customers are.

But in addition to those demographic programs, we also conduct 58 business surveys - monthly, quarterly, annual and periodic programs that measure the private sector economy. They include a census of government, the public sector, but it also includes the Economic Census, which is what we're going to primarily be talking about today.

Now the Economic Census is a very important segment of the Census Bureau because it is the most detailed economic program we conduct at the Census Bureau. The Economic Census covers the most detailed industry breakouts that we publish in the Economic Census.

They include nearly every two through six-digit NAICS code that is covered by the Census Bureau. There are a few exclusions. We do not publish data on the agriculture sector, which is NAICS 11, and we have a few other exclusions as well. As you can see on the slide, I have included the link to the list of exclusions from the Economic Census.

And just as a reminder to you, all these materials will be made available to you after the presentation is done. In a week or so, we'll be posting the recording, the transcript, and this PowerPoint file. So, you don't need to be frantically writing down the information here.

The Economic Census is also a very important program because it publishes the most detailed geographic information that we have on businesses in the United States. Data are shown at the national, state, metropolitan area, county, and even place level. Places is the term that we use to talk about cities, towns, villages, and boroughs.

And in the Economic Census, we need to include as valid geographies in the Economic Census every incorporated city, as well as unincorporated places (what we call census-designated places) of 2500 population or more. So, yes, there are some very small little towns in the United States that we wouldn't have separate Economic Census data for, but we do cover a lot of them.

Now, for the purposes of today's presentation, the other dimensions that we publish are very important too. In the Economic Census, we publish data by business size. And we'll be talking a lot about that business size data that we have in the economic census, and what you all can be doing with it in terms of understanding the importance, or not, of small businesses in the United States.

Those other dimensions also include things like franchise status. Franchise data are not actually part of our business size reports, but they are somewhat related because we're thinking about the importance of small businesses to the United States. Often those small businesses could be franchises, and how a franchise business operates and how it can respond to a shock or something like the pandemic might be very different than how a similarly sized small business that's not a franchise might respond - might react.

The Economic Census is our most detailed program in terms of the other data variables that are shown. We published over 200 unique statistics as part of the Economic Census. They include core data variables, like number of establishments, or what we call a business, employment, payroll, and some measure of business output, which may include things like sales, shipments, receipts, or revenue.

But we also publish a variety of other statistics that are specific to certain industries. So, for example, in the manufacturing sector, we publish detailed

information on inventories and capital expenditures and assets and depreciation.

Now, last week, I did a webinar on the product line data that was just released about a month ago from the Economic Census. This is a detailed data set that provides information about the products and services provided by businesses.

So, for example, if you were interested in looking at data on grocery stores in your state, and you wanted to look at the total sales of grocery stores, those data will be published on a regular statistics. But if you then wanted to break out those grocery store sales into each of the different product lines, that those data - that those grocery stores provide think about things like produce, or poultry, or baked goods or other kinds of things like that.

Those are product lines. I would encourage you all to check out the recording on the webinar we just did last week on the product line data.

Finally, for the Economic Census, details are released in a couple of our main tools. Data.census.gov is our primary data release tool at the Census Bureau – our enterprise dissemination platform - and the Economic Census data are all being released on data.census.gov. But we have also included some of the data in our Census Business Builder data tool as well as some other tools.

So, today's session is about small business. And when we think about the official definition of size of what is a small business, that definition comes from United States Small Business Administration or SBA. I provided a link to the SBA website here on this slide.

SBA defines a small business based upon the size of the firm. And a firm then is a collection of one or more establishments. We typically think of firms

like companies. A company can have only a single location, but a company could also have multiple locations.

SBA defines a small business based upon the size of the firm. They recognize a generic definition, which is firms with 500 or fewer employees are considered small businesses. So many of you that firm 500 cut off, employment cut off might seem ridiculously large.

So, in fact, they actually have industry-specific definitions in something called the Table of Size Standards. And I've provided a link to that size standard document here on the slide.

On the right-hand side, you can see a screenshot of just one little piece of this table of size standards, specifically the piece for the mining sector. And as you can see, these five standards are industry-specific. For some of these NAICS codes that are shown, the size standard is based upon how many employees the firm has.

So, if you were thinking about gold ore mining, of small gold ore mining business would be one with 1500 employees or fewer. However, if I look down a little bit further, at things like support activities for oil and gas operations, that size standard is based upon the revenue or the sales of that firm.

Firms in the oil and gas operations support activity industry that has sales of \$41.5 million or less are considered small, where those that have sales more than \$41.5 million are considered not small, so to say, large.

The surveys, oh, excuse me, the Small Business Administration, provides an amazing wealth of services for entrepreneurs and small business owners. But

one thing that they don't really provide too much is data that talks about the importance of these small businesses.

They have lots of resources that are available for entrepreneurs and business owners to help them start their business, to help them grow their business, to help make them make sure they're there - their businesses are successful through a variety of ways. It's an amazing organization, but they don't really provide very much in terms of data about the importance of small business.

So, that's really where the Census Bureau comes in, and historically, we have published a lot of size data as part of the Economic Census. For the 2012 Economic Census, we published over 106 size tables in our American FactFinder application for the 2012 Economic Census.

Those tables were grouped into two broad categories – establishment-based tables and firm-based tables. Firm based tables are tables that are like those, those SBA definitions, the size of the firm and based upon its employment size, or its revenue size.

Firm based tables also include breakouts or whether that business has a single location, what we call a single unit firm or whether it's a multi-unit firm. The establishment, oh excuse me, the firm size tables also include data on concentration ratios. How concentrated the industry is in the top companies in that industry speaks a little bit to the size of that business.

And finally, the firm base tables include things like legal form of organization, how the firm is legally organized. Is it a corporation? Or is it partnership or proprietorship?

We typically think of small businesses as partnerships or proprietorships. Corporations are usually thought of as larger businesses, although that may or may not be really true. But in addition to those firm base tables, we also publish establishment based tables. Information that breaks up the employment size or revenue size of the individual business location, as opposed to the firm.

And when we get into the data a little bit in a few minutes, you'll actually see how different the statistics look when you think about small business from an establishment perspective and individual business location perspective versus the firm perspective. For example, let's say that (Andy) decided he was tired of working for the Census Bureau, and I wanted to start my own restaurant.

If I started my restaurant, and I had my five or so employees working for me, in my single location, I would certainly be thought of as a small restaurant. But if I got really good at this, and I started ten restaurants, each of which had five employees, then suddenly, I am a 50 employee firm, as opposed to ten five employee, individual establishments.

And when you think about the ability for a company that may have multiple locations; the ability for that company to weather economic shocks like a pandemic, one could argue that firms, that companies that have multiple locations might be able to weather that pandemic in a different way than individual establishments. So, we provide data for both ways.

The data in those 106 tables was published in separate data sets for each and every single NAICS sector. So, for example, if I was interested in looking at employment size of establishment data for manufacturing, and for retail - so I want to look at small manufacturers and small retailers - I would have to go to for the 2012 Economic Census - two separate data sets to get that data.

When I looked at those two separate data sets, the structure and content of each of those data sets might have been quite different. The data variables that are published in the manufacturing tables would be very different than those published in the retail table, the actual employment size breakouts, the categories themselves (one to four employees, five to nine employees, ten to nineteen employees, et cetera.) Those breakouts might have been very different for manufacturing versus for retail, and even the levels of geography shown might have been very different.

So, because of those differences, it was very difficult; some might even argue impossible, to compare data across sectors to combine those different data sets and then compare that data. Now, while it wasn't actually published as part of our size of business in 2012, we do publish those franchise data as part of the miscellaneous subject series.

Now for 2017, we have fixed a lot of the challenges that users might have had in 2012. Number one, those 106 or so tables have been consolidated into seven complete tables. Two tables by employment size, or excuse me, by establishment size: employment size of establishment and a revenue size of establishment table. And five tables based upon firm size: employment size of the firm, revenue size of the firm, a single unit, multi-unit, concentration, and the legal form of organization table.

So, now instead of having to wade through those 106 files to pull the data for each of the sectors you're interested in, you can now go to consolidated tables. And for me, as a bit of a data nerd, this is a massive improvement in the usability of our data.

In addition, in consolidating those data, we did standardize the breakouts that were shown by each sector. So, instead of having a different employment size of establishment breakout for manufacturing than what we had for retail, those breakouts, those employment size ranges, are now standard across all sectors.

Now, I will say openly and honestly that that does mean that some of the detailed data you might have seen in the 2012 Economic Census might be a little different than what you're going to see in the 2017 census.

But I will say that, even though you lost some additional detail that we had, the consolidation and the fact that you could much more easily compare those data across sectors (to understand the importance of small businesses in your areas across multiple sectors of the US economy) is a huge step in the right direction.

And finally, those franchise data still are a separate release. They're still being released as part miscellaneous subjects series.

Now this slide here provides some information about the release schedule for the 2017 Economic Census. And as you can see, I have circled the section of the schedule that shows when we are releasing the establishment and firm size reports. These data just went live on Thursday, just last Thursday, so it's very recently released. And then we'll be moving forward into the middle of next year, releasing the final set of reports, the miscellaneous subjects reports.

So, let's talk about those different breakouts that we were interested in. The first thing I want to talk about is employment size. Now, when we think about the size of a business broken out by its employment, you're going to see two types of patterns when we look at industries in the Economic Census by

employment size. And these are specifically the employment size for establishment tables.

You're going to see industries like convenience stores where you have a lot of businesses, 14,051 individual establishments in this industry, where you have very few employees - less than five employees. And you're going to see a similar pattern in the revenue or the sale of those businesses. Those establishments that have less than five employees, not only are they numerous (there's 14,000 of them) but about \$8.9 billion of the total revenue of this industry comes from those little, tiny, small guys.

So, when we think about the importance of small businesses in terms of the convenience store industry, we can clearly see that little, tiny establishments are not only important in terms of the number, but they're also critically important when it comes to the sales. The importance, the share of this industry accounted for by these small guys.

Now, I do want to point out to you that you'll notice that the columns, the bars for five to nine employees, and that the 250 plus categories are missing. There's no bar there. And you'll see that both in terms of the number of establishments. And in terms of the sales of those establishments.

When we publish data in the Economic Census, we are bound by title 13 of the US code to protect the privacy of individual businesses. And in protecting that privacy, we have to make sure that in publishing the data, that a data user would not be able to find out information about individual businesses that would then disclose their identity.

So, for example, let's say they were only two establishments in the convenience store industry that had 250 employees or more. It's kind of scary

to think of it as a store that has that many employees, but let's just pretend that they were two.

We would not be able to publish the data for that industry because in publishing it, if I was the owner of one of them, and one of you on the call today was the owner of the other one, you could easily subtract your data from the published total and know exactly how many employees I have. You would know exactly what my sales are. You would know exactly what my payroll is. That would be a clear violation of my privacy.

And that's what you're actually seeing happening here. We've had to suppress the number of businesses and sales of those businesses in that largest size category, more than 249 employee categories, because of privacy. When we have to suppress one cell, one section of data, we then have to suppress another to make sure the user couldn't back into that suppressed number by subtraction.

So, for example, if I just took the sales data for the industry and subtracted all the published cells of data, I could then back right into that actual published - the suppressed number. So, in this case, the five to nine category happens to be the category that we had to suppress the data for.

To be quite honest, I'm not sure why they would have picked such a large category. I suspect that a large number of businesses in industry are in that size category, but that is the reality of what I found when I actually pulled the data live myself.

So, here's an example of an industry with a number of establishments that are small, mirrors the sales of those establishments that are small. I could have very similarly looked at the employment data, or the payroll data, or the

average annual payroll per employment data, and I would have seen that in this industry.

Not only are convenience stores significant in terms of the number of them and in terms of the sales of those little guys, but the little guys also have the most employment. And the little guys have the highest amount of the tables. So, the three or four dimensions, if you will, all mirror each other.

Now, this industry is the opposite. This is the computer and electronic product manufacturing industry. And we're looking at the number of establishments by employment size of the establishment.

We can clearly see that there are a lot of them, 4965 businesses, that have fewer than five employees that are in the computer electronic product manufacturing industry. Only three - only 639 of them - have 250 employees or more.

However, when I look at the sales or the shipments in this case of those businesses, I see exactly the opposite pattern as we saw in terms of the establishments themselves. Those little, tiny guys make up a tiny fraction, less than 1% of the total sales of that industry. There's a lot of them, but they don't really account for very much in terms of the size of the industry.

Whereas those large guys, those businesses that have 250 employees or more, make up the lion's share of the shipments in this industry. So, when we're thinking about the importance of small businesses, on the previous slide, we can clearly see that convenience stores, small guys, the ones that have the smallest number of employees, is very important in terms of the number of them. And in terms of the revenue of those businesses.

When we think about this particular industry, small really is important in terms of the number of those businesses, but not really important when it comes to the sales.

The small guys, you know, if some of them were to close, the lion's share of the shipments of that industry would still continue because of the larger guy that make up a large share of that total.

Now, these two charts that we just showed - just the two pages, looked at two industries, at looking at establishment size, or employment size by establishment.

We also publish employment size of firm-level data. And like that previous slide, here's a slide that looks at the number of limited-service restaurants, what we typically think of as fast food, make up by employment size of the firm.

So, we can see that there are a lot of limited-service restaurant firms that have a very small number of employees. 37,000 or so of them have fewer than five employees, another 27,000 or 28,000 have between five and nine employees. 28,000 about a little more than 28,000, have 10 to 19 employees, etc. So, you can see a big chunk of them in very small category. But once again, we see how firms that have 250 employees or more really dominate in terms of the sales.

And this is a really interesting industry to consider. If we think about the impact of restaurants, in this case, fast food restaurants, from the pandemic, these firms that have a lot of employees are probably firms that have a lot of establishment. So, there are a lot of these little locations. If we look at the establishment size data by employment for limited-service restaurants, we see

that there are a lot of small, limited-service restaurants that have very few employees.

But many of those very small establishments are owned by the same company. And that company then has a lot of employees in total. So, this is a really interesting way to sort of consider how the decisions we make about how we are going to support small businesses, how much that depends upon whether or not that small business is an individual operator, or whether that individual business is owned by a corporation or by a company that operates multiple locations.

We think about the kinds of Recovery Act money that was delivered out to help small businesses. A lot of that money went to firms that have multiple locations because the cutoff for what we defined as a small business would include limited-service restaurants that included a lot of employees in total, even though their individual establishments might be quite small.

So, what's now changed here as we look at the sales, shipments, receipts, or revenue size kind of data. Like the employment size data, we also now break it out by establishment and by firm. So, this is looking at the receipt of revenue of ambulatory health care services, looking at the distribution of their revenue, by the receipt of revenues by of the individual establishment. So, we can see that by far the largest categories, about \$178 billion dollars' worth of the total, is for ambulatory healthcare establishments, individual locations, that have between \$1 million and two and a half million dollars in total revenue. Then we can see a little drop off there where the larger categories of \$2.5 million to about to just under \$5 million, \$5 million to just under \$10 million, \$10 million to just under \$25 million. And finally, \$25 million, to just under \$100 million, still account for a pretty substantial chunk of the industry.

The smallest ambulatory health care businesses, those that have revenue of less than \$100,000 or could be less than \$100 million, that's less than \$100,000, excuse me, make up a very small percentage of the total, about \$2.4 billion of the gigantic number for this industry.

Now, I didn't mention it on the previous few slides. But the very last bar in these slides that you can see is that we actually break out of the data, those establishments, those firms that are not being operated for the entire year, because including a business that may have started in July, including that in with the other businesses that have been operating during the entire year, would really sort of skew the data.

And you can see in some industries there actually is a lot of churn in that industry, where you have a lot of businesses coming into fruition, coming into birth and closing within a particular calendar year. So, that's why we break it out.

So, this is looking at receipts by revenue size of the establishment. This is now looking at revenue size of firms. And like some of the other slides we saw, we're looking at the truck transportation industry firms. You can see that there are lots of firms that have between \$100,000 and about \$250,000 in revenue.

But if we look at the trucking firms that have more than \$100 million in revenue, they make up the lion's share of the total trucking industry, this total truck transportation industry. We can see that those truck transportation firms that have \$100 million or more in revenue generated about \$119.3 billion in revenue of those trucking firms.

So, again, thinking about the importance of small trucking firms. Yes, there are a lot of them. You can see on the first chart that there's 21,608 trucking firms that have between \$100,000, excuse me, \$100,00 and \$250,000 in total revenue. There's a lot of those small guys, but those small guys don't really account for a large chunk of the revenue.

Again, I want to remind you all, I changed, I've compared number of firms and revenue, but I also could have looked at the employment data, the payroll data, and even things like payroll per employment. We often see things like very small firms often pay their employees on average, less than larger firms in some industries. But in other industries, small is good to be an employee. Where the average annual payroll for employment of a small business in certain industries is actually larger, is actually higher than the average annual payroll for employment of workers in other industries. So, again, an interesting comparison.

So, that talked about employment and revenue size. Let's talk a little tiny bit about some of the other measures of size. So, as I mentioned, when we think about firms themselves, firms can have a single location, but they also could have multiple locations.

So, here we're looking at information on offices of real estate agents and brokers. We can see that there are a lot of 105,000 single unit firms, a very tiny number of multi-unit real estate agency broker firms, only 1524.

But when we then look at the distribution of revenue or receipts of those single unit versus multi-unit firms, while there are a lot of the single unit ones, they account for more than half, but certainly nowhere near the share that they do in terms of the number of locations of, the number of firms, of those

single-unit firms, account for about \$64.8 billion, as opposed to the multi-unit firms that accounted for \$48.2 billion.

So, again, this is sort of a similar distribution we were looking at before. A lot of small guys, a lot of single-location businesses, but the multi-location guys really account for a large chunk of the total.

Now just to give you some information about the distribution of those multi-unit firms, that orange chunk of the pie. The big pie chart on the right-hand side takes that orange chunk of the pie and splits it out into more details. And as you can see, it shows that of those multi-unit firms, those multi-unit firms that have 25 locations or more account for the lion's share of the distribution.

So, in the real estate agents and brokers industry, if you're a multi-establishment, if you are a real estate agent and broker office that has multiple offices that are owned by the same company, and you have 25 locations you account for the lion's share of the data.

Now, you will notice here that there is a slice of the pie that says one establishment may be wondering, how is that possible? How can you be a multi-unit firm and only have one establishment? And what that is, is that has to do with how we define a firm.

A company can be a collection of one or more firms. And that company could own businesses not only in one particular industry, let's say, real estate agents and brokers, but, that company could also own businesses in other industries.

Maybe I own and operate a real estate agency, but I also own and operate some janitorial services businesses. We count each of those individual firms

in all of the industries that they operate in, so a firm that does have more than one location could only have one location in a particular industry.

So, that's what you're seeing here. There are a number of multi-establishment firms that only have a single establishment in the real estate agents and brokers industry. So, again, just kind of giving you some information about this distribution of businesses by size.

The next distribution I want to talk about the legal form of organization. And again, this is for firms. In some industries, for example, janitorial services, you have a lot of corporations, and where the revenue of those businesses is primarily clustered into the corporate kinds of businesses, S corporations, or C corporations.

You can see the individual proprietorships and partnerships in janitorial services are far smaller than the share of the revenue accounted for by corporate janitorial services in businesses. However, offices of CPAs, Certified Public Accountants look very different. Yes, you have S corporation and C corporation CPA firms. But the partnerships piece, these small locations really dominate when it comes to revenue broken out by legal organizations.

So, again, this is providing additional information that helps you understand how different small might be defined across different industry, which is giving you some more information about that.

This next one here is concentration ratios. Every five years, when we do the Economic Census, we publish information on the share that the revenue, share of revenue, in an industry that is accounted for by the top four, eight, 20, and 50 largest firms in that industry.

And what I've done here is I've compared the concentration ratio data for two industries. The blue bars are for grocery and related product merchant wholesalers. These are grocery wholesale businesses who sell grocery products to supermarkets and to convenience stores and to other kinds of businesses.

We can see that the four largest firms in this particular industry only account for about 14% of the total revenue of that entire industry. Even the 50 largest firms in this industry only accounted for 53%. So, this is an industry that has a lot of players. They are not - it is not all owned by these businesses. The wholesale locations are not all owned by a relatively small number of companies. It's more distributed.

Conversely, we see the orange bars for cable and other subscription programming businesses. The top four firms in this industry account for 62% of the total revenue of all firms in this industry.

So, this is one where the top four players in cable TV and other subscription programming. We can probably think of the cable programs, the cable businesses that we subscribe to in our home, Comcast and Verizon, and a variety of other ones that we can get our cable TV service and are phone service, etc. from, the top largest four firms account for 62% of this industry.

When you think about the 50 largest firms, it's nearly 100% of the revenue in this industry is accounted for by that 50 largest firms. So, this is an industry where you have a relatively small number of players. They are certainly not considered small businesses, or be very hard to sort of think of a cable TV provider as a small business. There are some, of course, out there in rural

America. But these large guys really account for - the top players accounted for a very large chunk of the data.

And then finally, franchise status. These are data from the 2012 Economic Census. We have not yet released the 2017 data on franchise status. But just kind of giving you some information about how franchise businesses versus non-franchise businesses compare in the full-service restaurant industry.

We talked before about limited-service restaurants, or fast food. This is looking at full-service restaurants. We can see that non-franchise full-service restaurants not only are significant in terms of the number of them. There were also about 202,000, almost 203,000 full-service restaurants that are non-franchises in 2012.

But those businesses accounted for the lion's share of the sales of all full-service restaurants. But if we had looked at the franchise data for limited-service restaurants, we would have seen a very different picture with franchisee and franchisor owned businesses look much different.

There is a much larger share of the limited-service restaurant industry that is owned by franchisee or franchisor owned businesses as opposed to non-franchises.

But again, helping us understand the importance of small businesses in a variety of different ways of thinking of a small business in our local communities and how that much varies by industry.

So, now let's talk about how do I actually get to all of this great size data in our data.census.gov application. I actually have included some screenshots here in the PowerPoint, but I'm actually going to jump out live to our browser.

So, I can actually go live here and show you how to get to the size data in the Economic Census.

So, let's say I was interested in looking at those doctor's offices. So, I want to go to data.census.gov. And I want to go in, and I want to find information specifically on those physicians' offices.

So, I'm going to choose NAICS 62. I'm going to choose ambulatory health care services. And I'm just going to go ahead and choose the ambulatory health care services total. This is one of the industries we looked at in the table.

The next step I'm going to do is I'm going to go to surveys. And I'm actually going to come over here, and I'm going to scroll down to these surveys until I find the link for the establishment and firm size data from the Economic Census. So, I'm going to scroll down, keep going, US basic data. And then I get to go over here, US size data.

Now you'll notice that there are two options here. There's one that says economic census, US size data. And there's one that says establishment and firm size. If I choose this first option here and click search, I'm going to be able to get to all of the 2012 Economic Census tables.

These aren't the ones that I really care about. I really want to go back. And I want to choose - I want to look at 2017 data. So, when you're going through this menu system, I encourage you to please be careful when you choose a particular survey program in data.census.gov because the one that we actually wanted was the second one here, the establishment and firm size reports.

When I then say that's what I want, now I have those seven tables that we've been talking about throughout today's presentation. Here's the concentration data tables. Here's the employment size of establishments data tables. Here's the firms' data tables, etc.

So, this is a much easier way of getting to those detailed tables. So, for example, I'm going to click on employment size of firms. So, again we're still talking about data for ambulatory healthcare services, and we want to see how much do the ambulatory healthcare service businesses account for of the total? How is it broken out by the different size categories and et cetera?

And I did see out of the corner of my eye one of you asked a question about non-profit. In the Economic Census, we do not publish data specifically on profit or nonprofit businesses. But we do typically publish is data on businesses that are subject to or exempt from federal income tax.

And tax status is really the closest thing that we get to profit non-profit, that we have at the Census Bureau. We don't actually publish data anywhere on non-profits.

Those businesses that are exempt from federal income tax are not a perfect proxy for tax exempts, for non-profits, but it's close. And historically, we have published data on business size broken out by tax status for the 2017 Economic Census. Unfortunately, that is one of the breakouts that we no longer are publishing.

However, if you wanted to go in and look at the distribution of businesses, by tax status, in our other published statistics as part of the Economic Census, and then wanted to look at the size breakouts, you can then make some leaps of faith and say, if this is the distribution of all businesses by size, and this is

the distribution of those businesses by tax status, if we make some assumptions, that the distributions are similar, you could then sort of come back and approximate what the share of non-profits are of these types of business totals.

So, unfortunately, that is sort of a bummer that we don't have that data anymore. But these information are all available. You will notice that even in the firm size tables, we do publish the data on the number of establishments as well as the number of firms. This is a firm-based table. But we still do have the data on establishment versus firms.

And I have seen a couple of quick notes that have popped up about the other sort of characteristic data. And you'll actually learn more about that in just a moment. So, let me jump out of here. So, that kind of gave you an example of how you could actually access the data in data.census.gov.

Again, we chose US data. This gave us the firm size breakouts.

Now the last point that I want to make before we take some questions is that these data that we've been talking about, on data broken out by business size, are available not only in the Economic Census but they're also available in a few other programs at the Census Bureau.

For example, our Business Dynamic Statistics publication does include information on job creation, job destruction, establishment and firm births, and deaths. And the data are broken out by establishment size and by firm size.

So, if you wanted to get information on how are small businesses growing? Are we seeing a lot of job creation and job destruction in those small

businesses? Are there a lot of firm or establishment births and deaths in small businesses versus large businesses? That type of data would be available in our BDS - Business Dynamics Statistics - program.

Annually, our County Business Patterns program also publishes data on legal form of organization and employment size of establishments. And these data are available in the data.census.gov platform. So, you can go in and actually access those information.

And I want to remind you all that county business patterns covers employer businesses, businesses with one or more paid employees. You could go in and look at for 2018. And then next year, you'll see 2019, 2020, 2021 annually. You'll be able to see data on the importance of the small businesses broken out by employment size of the establishment.

Now one tip about county business patterns. County Business Patterns includes data on the number of establishments, employment, and payroll. But CBP does not publish data on revenue. So, those interesting comparisons that I was making between the number of small establishments in an industry versus the revenue of those small establishment in the same industry, those kinds of comparisons, you can't make using county business patterns because they that program does not publish data on revenue.

The third bullet here is our nonemployer statistics program. I saw one of you posted a note asking about do these data include the little, small businesses the self-employed people? The short answer from the Economic Census is no. There is no data in the Economic Census for non-employers

And that is because we have an entire program at the Census Bureau - Nonemployer Statistics - that annually publishes data on those self-employed

people. The non-employer data is broken out by legal form of organization and by revenue size. And by definition, one could argue that all non-employers are small.

Each non-employer essentially is a business with one employee. But if you wanted to further break out those non-employer data based upon the revenue size, for example of those non-employers, for example, if you're interested in looking at how consultants in Northern Virginia, how do they compare to consultants in other industries, and you might see that the revenue breakout for those consultants in Northern Virginia is quite a bit higher than it is in other areas of the country, this is a great place to be a consultant in especially for the government.

Now, the fourth bullet here is our Quarterly Workforce Indicators. This is a quarterly program that provides employment and earnings data broken out by firm employment size. So, instead of those establishment employment size, it is firm based data. And again, I provided a link to a data tool called QWI Explorer, where you can go in and actually look at this quarterly data. Again, employment and earnings data, there are no statistics in this program on revenue.

Then finally, we published by base data in a program called Statistics of US Businesses. This is annual data on employer businesses by the size of the enterprise, another word we can sort of think of as firm or company. And again, I provided the link to that data as well.

So, in summary, we have a lot of information on business size. These data in the economic business are being released on a flow basis. We've released most of the data on the Economic Business, but there is some more data coming.

And while I focused in this webinar today, the national size data, there are some selected statistics available that allow you to drill down to state-level data in the business size breakouts. So, I would encourage you all to explore in our data.business.gov platform those additional sites that break up that are available at the state level.

You will see, for example, that size breakouts in some states for certain industries might be very similar to the size breakouts, but that same industry in another state. And in other industries, they're very different.

Some industries tend to have a lot of small businesses in a certain state, where in another state, that same industry, it's mostly larger businesses. It's just sort of amazing how different our country is when it comes to how businesses have sort of grown and established.

Now again, while the data that we publish by size have changed in terms of the organization and in terms of the size breakouts, most of the data are pretty simple - are pretty similar. So, it is not only much easier to access the data across the sectors but now you can do better comparisons across sectors. And even will allow you to more easily compare the 2017 size data to the 2012 size data.

That's actually something I was going to do in this presentation today, just with too much data for us all to take in one hour. So, I didn't get to do that, but seeing how size businesses, small businesses, have changed over time is something that you could do with ease using data.

Finally, you need to learn how to use data.census.gov. This is our enterprise dissemination platform at the Census Bureau. I would encourage you all to

learn how to use it. It will be the key repository for all of the economic data and a lot of the other data that I talked about today.

And we definitely want your feedback on it. If there are things about it that you love, let us know. If there are things about it that drive you crazy, like the 1 million points that I mentioned where the 2012 data is in one survey area versus 2017 data is in the different surveys. I don't understand why they're in two different surveys. But that's just the way it is. That's the kind of feedback that they want to hear as well. And of course, we want you to promote using our data using the platform with your colleagues.

So, with that, I am done. (Anthony), why don't we go ahead and see if we have any questions that came in via the chat. And then, we will ask our Operator see if we have any questions of folks who are listening on the phone.

(Anthony): So, Operator, do you want to give instructions for the phone while I read the first question?

Coordinator: Thank you. At this time, to ask a question from the phone, please press star 1. Please unmute your phone and record your name clearly at the prompt. Once again, star 1 for questions on the phone line.

(Anthony): I'm just going through all the awesome feedback we got on audio broadcast. We appreciate that. We got an overwhelming majority that used the audio broadcast. We got a few issues with audio quality. But that could always be, you know, your local streaming, you know, and bandwidth.

So, let's get here a question about business. Did you have a slide on employment size of firms? Can you go back to that? They just wanted to see the previous slide on that.

Andrew Hait: Right. So, this slide is for the firm and I was comparing and contrasting how different the size breakout data when you think of employment size of a firm, how different that distribution can be, versus the employment size of an individual establishment.

So, this industry was the limited-service eating places in industry, which is basically fast-food restaurants. We can see that, from a firm perspective, there are a lot of firms that have a very small number of employees. But it is really the firms that have a lot of employees. The firms that have multiple locations and therefore have lots of employees within that firm that account for the lion's share of the breakout.

If we had looked at the same industry, limited-service restaurants, in terms of employment size of establishment, we would have seen a very different picture. We would have seen that there are a lot of small, limited-service restaurant establishments. And it's those small guys actually account for the majority of the revenue of those individual locations. But again, we're looking at individual establishments, as opposed to looking at entire firms.

It's hard to sort of imagine a single limited-service restaurant that has 250 employees. Most of the fast-food restaurants that we frequent on a regular basis have a very - have a relatively small number of employees. And those small locations with a small number of employees really account for a very large share of the total sales.

But we then think about all of those establishments aggregated up to the firm level; then you really see how in this industry, you have a lot of firms a lot of companies that own multiple small locations that together account for a very

large share of the total industry. So, yes, that's totally what the purpose was of this particular slide.

(Anthony): Great. Operator, do you want to queue that question up?

Coordinator: Thank you. It is from (Flora Rivera). Your line is open.

(Flora Rivera): Yes. Good evening. I was wondering if the census has taken notice on the prices of the houses. I mean, it's 200 plus the interest. It has gone up in certain states, and there is not a lot of jobs, you know, right now we were sent home, some of the people lost their jobs.

Some of the people were asked to, you know, to return, some didn't. So, they were unemployed and then still waiting to see what's going to happen.

Andrew Hait: Right, right. So, I guess the answer to your first part of your question is yes. The Census Bureau does publish data that looks at the value of housing, the value of homes. And we publish that data in something called the American Community Survey. It's an annual survey that we publish that has detailed information all the way down to the census tract level. And that data does include information on house value.

So, yes, we definitely have data that would help you compare and contrast the household income in a particular area to the house costs and value of the homes in those areas. And in our economic programs and the Economic Census, for example, that we talked about today, we don't really per se have any information on house values in the Economic Census.

But it's actually sort of an interesting thought because when you think about or an interesting concern, because when we were talking about the data on real

estate agents and brokers when you look at that data, the revenue data of those businesses broken out by geography by state and by county, you really see there are counties in the United States, where the revenue of real estate agents and brokers is a huge number in comparison to the revenue of those real estate agents in other counties, even in that same space.

And as you all I'm sure, well know, the revenue of a real estate agent and broker is tied to the house value. When - if I was a real estate agent, and I was selling a million-dollar home versus a \$100,000 home, the amount of commission that I would receive for that sale would be very different for that million-dollar home than that \$100,000 home.

So, you can sort of get a glimpse at how vary - how much the house values vary when you look at our economic data for certain industries, like real estate agents and brokers. But again, I would encourage you all to check out the American Community Survey for that type of data.

And certainly, there's a concern that, as the house prices have gotten so high, and we've now come through this really horrible pandemic, how are people affording to be able to purchase homes in those communities, where the house prices still so, high? And yet, where's our household income has really suffered due to the pandemic?

So, yes, a really interesting study. So, thank you for the question.

(Flora Rivera): Thank you.

Coordinator: We have another question on the phone.

Andrew Hait: Great.

Coordinator: And it's from (Heidi). Your line is open.

(Heidi): Hi, can you hear me?

(Heidi): Yes, again.

(Operator): Yes, I can.

(Heidi): The question I was on one of your last webinars, and I was wondering, it's a two-part question. I was wondering when you guys collected the data for this year's census, is that automatically input or ingested into the system?

Andrew Hait: Okay, so, we try to restate what I think you're asking. So, for the 2017 Economic Census, we asked businesses to report their activity during calendar year 2017. And right now, we are publishing the data on the annual data for calendar year 2017.

As we do our annual programs, and our quarterly programs, and our monthly programs, these reported 2017 Economic Census data do affect the data that we collect and publish in the more timely annual, quarterly, and monthly surveys because we use the Economic Census and the data that's reported serves as a baseline or as a benchmark for those more timely sample surveys.

For example, if you were taking a look at the annual survey of manufacturers data, it's an annual data set that covers the manufacturing sector, the data that's published there is directly based upon the manufacturing sector data that's published in the Economic Census. So, we get a complete census of all manufacturers every five years. And then annually, we do a sample survey

from that complete universe of all manufacturing businesses, and we then conduct a sample survey every year in between the censuses.

So, it is definitely important that businesses respond to our Economic Census. It's important that they use the information, and it's because these data become the baseline or benchmark for a lot of our programs. And I'll also say that a lot of the data that you see published by the Census Bureau goes into other federal agency programs.

For example, the very beginning of this presentation, I showed you all how much the definition of what a small business is defined as how much it varies from industry to industry, according to the Small Business Administration. SBA uses some Census Bureau data to help define what are those small business size ranges. And as businesses change, those sizes can change. So, again, it's a very important resource for a variety of purposes.

(Heidi): So - and I was just wondering if that data, once you collect it from the surveys, does that actually get updated relatively immediately, in short order, or does it take a while?

Andrew Hait You know, I mean, obviously, we are still publishing the 2017 Economic Census data. We stopped the completed collection of the 2017 Economic Census data around the end of August of 2019.

So, we gave businesses quite some time to complete their forms. Once we completed the collection of data, we began the analysis of that data and review of it. And we started publication of data in September of last year.

We are now about two-thirds to three-quarters of the way done with the Economic Census. We have some more data coming out next year. The

Economic Census takes a long time to collect the data and then to analyze and review it because we want to make sure that every five years, we get a complete, comprehensive and accurate measure of business activity.

And there's a lot of analytical time that we spend looking at the reported data and contacting businesses if we feel that the numbers that they reported to us might be sort of questionable. So, for example, let's say that you owned a business. And let's say in your business, you reported your employment and your payroll, the average payroll per employment, when we looked at your reported data set, said that your employees were earning \$120,000 a year.

In that industry, the industry that you work in, on average, most businesses, their employees earning \$12,000 a year, we would probably call you and say, hey, your employment and payroll numbers seem to be a little out of whack. Did you add another zero, maybe to the payroll data? Did you forget a zero on the employment data?

So, we do a lot of analysis for the Economic Census. That is part of why it takes us so long from when we finish completion of the collection to when the data are published. When you think about programs, like our monthly economic indicator surveys, these economic indicator surveys have a 28-day turnaround.

So, from when we collect the data for that particular month, so say the monthly retail trade survey when we collect the data to actually publish the statistics is typically around 28 days. So, that survey, it's a very small sample survey. But we spin that data really quickly because no one wants monthly data that is six months old. You want data that is really timely.

And that there is sort of looking at the different data products that we have that is really important because for really timely data, we have that, but it's not very detailed. You're not going to get the geographic breakouts. You're not going to get a lot of these really detailed size breakouts that we talked about today.

For those more detailed data, you need to go to a less frequently conducted survey, because we have the time. We have the ability to collect, you know, the volume of data. The Economic Census forms that we've used in the past could be up to 20 pages long because of the volume of data that we ask businesses to report.

That means we have a lot of public data, but also a lot of data for us to review to make sure that businesses got it right. So, yes, it's a constant tug of war, I guess I'll say at the Census Bureau between timeliness and details.

Everybody wants really timely data and very detailed data. Very hard to have both ways.

(Heidi): Ah, okay. All right. Thank you.

Andrew Hait: You're welcome.

Coordinator: We are sorry, no further questions on the phones.

Andrew Hait: Great. Let me go back over here to my contact slide again, just to share with you all my contact information. Again, if anybody has any other questions, or (Anthony), if they did have any questions that we still had in chat. We can answer those now.

If you want to contact me again directly, please feel free to. My email address and phone number are here on the slide. (Anthony), do you want to see if we have any other questions that came in on the chat that we can answer now?

(Anthony): There's a few, but we ran out of time.

Andrew Hait: Okay. Well, what we'll do is, if you want to contact me if you didn't get your question answered, please send me an email, and I would love to hear back from you. And again, thank you all so much for attending today's webinar, and have a great afternoon.

Coordinator: Thank you that does conclude today's conference. We do appreciate attending. You may disconnect at this time.

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